

FISCAL NOTE

HB 314 - SB 360

February 7, 2001

SUMMARY OF BILL:

1. Creates the *Tennessee Biobased Product Education Program* to promote opportunities through communication networks for new markets in development of non-food/non-feed agricultural products and by-products.
2. Requires the Commissioner to promulgate rules to accomplish the following:
 - Establish an information network.
 - Develop information seminars.
 - Conduct a forum about Biobased products.
 - Establish an economic hotline for news about Biobased products.
 - Document existing agricultural industries.
 - Identify research projects.
 - Develop a comprehensive plan for establishment of alternative processing/production businesses.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$129,150 Recurring
\$33,500 One-Time**

Estimate assumes a recurring increase in state expenditures for the following items:

- Agricultural Marketing Specialist in the Department of Agriculture \$26,250 (Salary \$21,000 + \$5,250 Benefits).
- Part-Time Internet Content Programming Specialist to develop and maintain the internet website \$16,250 (Salary \$13,000 + \$3,250 Benefits).
- Part-time Telephone Support Operator to answer and respond to calls on the Toll-Free Line \$16,250 (\$13,000 Salary) + \$3,250 Benefits).
- Annual Operating Costs for the Toll-Free line of approximately \$300.
- Annual Seminars and Forums as follows:
 - 1 Information Seminar in each Grand Division of the State \$5,100 (3 @ \$1,700 each).
 - On Farm Demonstrations \$20,000 (5 Farm Demonstrations in each of the 4 extension districts @ \$1,000 each)
 - Applied Research at 2 Experiment Stations \$20,000 (Research at 2 stations at a cost of \$10,000 annually per station)
 - International Exhibition Show and Forum for Biobased Products \$25,000 (1 International Trade Show at a cost of \$25,000 Annually).

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Estimate further assumes a one-time increase in state expenditures for the following items:

- Administrative Office Setup which includes office furniture, telephone, supplies, computer, and office space \$18,000 (3 Positions @ \$6,000 each)
- Toll-Free Hotline Setup Costs of \$500
- Internet Website Programming and Development Cost of \$15,000

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director